SEC. 2807. PROHIBITION OF FUNDING FOR CERTAIN MILITARY CONSTRUCTION CONTRACTS ON GUAM

(a) IN GENERAL.—Subchapter III of chapter 169 of title 10, United States Code, is amended by adding after section 2863 the following new section:

"§ 2864. Military construction contracts on Guam

"(a) IN GENERAL.—Except as provided in subsection (b), funds appropriated for military construction may not be obligated or expended with respect to any contract for a military construction project on Guam if any work is carried out on such project by any person who is a nonimmigrant alien described in section 101(a)(15)(H)(ii) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(15)(H)(ii)).

"(b) EXCEPTION.—In any case in which there is no acceptable bid made in response to a solicitation for bids on a contract for a military construction project on Guam and the Secretary concerned makes a determination that the prohibition contained in subsection (a) is a significant deterrent to obtaining bids on such contract, the Secretary concerned may make another solicitation for bids on such contract and the prohibition contained in subsection (a) shall not apply to such contract after the 21-day period beginning on the date on which the Secretary concerned transmits to the Committees on Armed Services of the Senate and the House of Representatives a written notification of that determination.".

(b) CLERICAL AMENDMENT.—The table of sections for such subchapter is amended by adding after the item relating to section 2863 the following:

"2864. Military construction contracts on Guam.".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to contracts entered into, modified, or extended on or after the date of the enactment of this Act.

SEC. 2808. AUTHORIZED COST VARIATIONS

Section 2853 of title 10, United States Code, is amended to read as follows:

"§ 2853. Authorized cost variations

"(a) Except as provided in subsection (c) or (d), the cost authorized for a military construction project or for the construction, improvement, and acquisition of a military family housing

project may be increased by not more than 25 percent of the amount appropriated for such project or 200 percent of the minor construction project ceiling specified in section 2805(a)(1), whichever is less, if the Secretary concerned determines that such an increase in cost is required for the sole purpose of meeting unusual variations in cost and that such variations in cost could not have reasonably been anticipated at the time the project was approved originally by Congress.

"(b) Except as provided in subsection (c), the scope of work for a military construction project or for the construction, improvement, and acquisition of a military family housing project may be reduced by not more than 25 percent from the amount approved for that project, construction, improvement, or acquisition by Congress.

"(c) The limitation on cost increase in subsection (a) or the limitation on scope reduction in subsection (b) does not apply if—